

**ANNUAL FEE FOR
EARLY INTERVENTION SERVICES
FREQUENTLY ASKED QUESTIONS
Updated September 2010**

What is the Annual Fee for Early Intervention Services?

The Department of Public Health (DPH) collects an Annual Fee based on family size and income in relation to the Federal Poverty Income Guidelines (FPIG) for families enrolled in Early Intervention with a signed IFSP.

What is the “Annual Program Fee Assessment”?

This is the amount that each agency that has a contract with DPH to provide Early Intervention services is expected to collect from families based on data submitted by programs and projections by the DPH. The amount is collected by the DPH by reducing payments owed to each agency on a periodic basis. The amount is adjusted each year to reflect changes in anticipated enrollment, socio-economic characteristics of eligible families, and review of prior year activity.

How will the funds collected from the Annual Fee be used?

In Massachusetts both the number of children served and the cost of providing Early Intervention Services have steadily increased. At the same time, DPH has seen a reduction in federal funding and more private health insurances refusing to pay for EI as a covered benefit. State funding in the current economic climate cannot cover the cost of providing services to eligible children. The money generated by the collection of the Annual Fee will be used to support the provision of direct services in the EI system.

Who pays this fee?

Families with an income above 300% of the FPIG who have a child (or children) eligible for Early Intervention and have signed an Individualized Family Service Plan.

Who does not have to pay a fee?

Families with an income less than 300% of the FPIG, families where the EI eligible child is in foster care and families enrolled in MassHealth (e.g. MassHealth Basic, Standard, Kaleigh Mulligan, CommonHealth, or SSI) are exempt from paying a fee. This includes individuals who have MassHealth as a primary or secondary insurer. All other families will pay a fee based on the schedule outlined in response to the next question.

How much is the annual fee?

- *Families whose size and income is between 301% and 400% of the Federal Poverty Income Guidelines will pay an annual fee of \$250. There will be a fee of \$125 for the second child receiving EI. A family will not be charged more than \$375 annually.*
- *Families whose size and income is between 401% and 550% of the Federal Poverty Income Guidelines will pay a fee of \$500. There will be a fee of \$250 for the second child receiving EI. A family will not be charged more than \$750 annually.*

- Families whose size and income is between 551% and 750% of the Federal Poverty Income Guidelines will pay a fee of \$900. There will be a fee of \$450 for the second child receiving EI. A family will not be charged more than \$1,350 annually.
- Families whose size and income is above 750% of the Federal Poverty Income Guidelines will pay a fee of \$1,500. There will be a fee of \$750 for the second child receiving EI. A family will not be charged more than \$2,250 annually.

How will income information be collected and verified?

Families will need to provide proof of income by providing one of the following documents to the EI service provider for review and completing the Income Attestation Form:

- Most recent tax return (Form 1040=line 22; 1040A=line 15; 1040EZ=line 4; State Return=line 10) **or**
- Most recent W2(s) and/or 1099(s) (Form W2=line 1; 1099=total of lines 1, 2 & 3) **or**
- Last two (2) consecutive pay stubs/advice
- If none of the above is available, a written statement of salary or wages that documents the amount and how often the individual is paid (e.g. weekly, monthly) from the employer. The statement must include company/employer name, address, phone number and supervisor/human resource staff signature.

Families will need to complete the Income Attestation Form within 30 days of their eligibility determination. A family who fails to complete the Income Attestation Form will be assessed the highest fee. The Department strongly recommends that the Income Attestation Form be completed at the time of the eligibility evaluation.

What if an individual declines to share income information?

A family may decline to provide their income information. A family who declines to provide their income information will be assessed the highest fee (i.e. \$1,500.)

What if an individual declines to allow the EI Program to bill health insurance?

Families have the right not to allow the program to bill their health insurance. The family will be assessed the highest fee (i.e. \$1,500).

What if the child has an IFSP for less than one year? Will they be required to pay the full fee?

In the cases where children will be enrolled less than one year, there will be a pro-rated schedule for the fee.

- 0-3 full months enrollment – family pays 25% of the assigned fee.
- 4-6 full months enrollment – family pays 50% of the assigned fee.
- 7-9 full months enrollment – family pays 75% of the assigned fee.
- 10-12 full months enrollment – family pays full fee.

The following are some examples of how the fee will be applied:

Julia Jones: Family size = 5, Income = \$ 110,000 (family is between 400% and 550% of 2010 FPIG.) The IFSP was completed and signed on 9/15/10. The Jones' are responsible to pay a fee

of \$500 as of September 15, 2010, or shortly thereafter. The program would bill the Jones' annually if subsequent (annual) IFSPs were signed.

Kayla Smith: Family size = 4, Income = \$75,500 (family is between 300% and 400% of 2010 FPIG.) An IFSP was completed and signed on 10/1/10 and Kayla will turn three on 3/15/11. On October 1, 2010, or shortly after, the Smiths would be responsible to pay a fee of \$ 125 (based on ½ of the assessed \$250 Annual Fee for 5 months of IFSP services.)

What will be the process for families who are unable to pay the Annual Fee?

Any family who indicates an inability to pay may request an exemption from the fee by completing a Family Fee Exemption Form. An exemption from the fee is not retroactive. A family may request an exemption under the following circumstances:

- *Out-of-pocket medical expenses during the past twelve (12) months meets or exceeds 15% of the family's gross income*
- *Out-of-pocket losses during the past twelve months due to disaster such as fire, flood or tornado meets or exceeds 15% of their gross income*

A family may ask for a redetermination of their fee any time there is a change in family size or income.

What will be the process for families who refuse to pay the Annual Fee?

Families with an outstanding balance of 60 days or more past due or who refuse to pay the fee will be subject to suspension of services. The EI program will send a notification of Pending Suspension of Services letter to families on any unpaid balances.

Services will resume once the past due amounts are paid, or for so long as payment arrangements are honored.

When is the fee collected?

EI Programs will bill families after written consent for a completed IFSP has been obtained and again from the date of subsequent IFSP signatures.

Can a family receive a refund if they pay for one year but leave EI in six months?

There are no refunds of the Annual Fee.

How is family size calculated for a single teen parent, with two children, who live at her parents' home?

The program should count the child enrolled in EI, the teen parent, and the other child. The teen's parents should not be included.

Is SSI considered income?

Yes. SSI and SSDI cash benefits to another family member other than the EI eligible child will count as family income. An infant or toddler (0-3) eligible for SSI is automatically eligible for MassHealth, and therefore exempt from paying a fee.

Is the Annual Fee tax deductible?

Families should refer this question to the Massachusetts Department of Revenue and/or Internal Revenue Service.

Can families use funding from a flexible spending plan to pay the fee?

You should contact your Benefits Administrator to verify that you can use funds from your flexible spending plan to pay the fee.

Will families who transfer from one program to another be required to pay the fee twice?

If a family notifies a program that they've already paid a fee within the last 12 months, the program should attempt to confirm that this has taken place by contacting the program that initially collected the fee.

Additional questions about the Annual Fee should be directed to the Regional Specialist in your area or Rob Seymour at (617) 624-5436. The DPH will provide periodic updates to this list of questions as necessary.